

**LONGWOOD COLLEGE
FARMVILLE, VIRGINIA**

**INTERCOLLEGIATE ATHLETIC PROGRAMS
FOR THE YEAR ENDED
JUNE 30, 2001**



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BOARD OF VISITORS

May 28, 2002

The Honorable Mark R. Warner
Governor of Virginia

The Honorable Kevin G. Miller
Chairman, Joint Legislative Audit
and Review Commission

Dr. Patricia P. Cormier
President, Longwood College

**INDEPENDENT AUDITOR'S REPORT ON APPLICATION OF
AGREED-UPON PROCEDURES**

We have audited the financial statements of **Longwood College** as of and for the year ended June 30, 2001, and have issued our unqualified report thereon dated May 28, 2002. At the request of the President of the College, we have performed certain agreed-upon procedures to the College's Intercollegiate Athletics Programs for the fiscal year ended June 30, 2001, discussed below, solely to assist the College in complying with National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.2. The College is responsible for the Intercollegiate Athletics Programs, including preparation of the Schedule of Revenues and Expenditures of Intercollegiate Athletic Programs. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the College. Consequently, we make no representation regarding sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Schedule of Revenues and Expenditures of Intercollegiate
Athletic Programs - Agreed-Upon Substantive Procedures**

- a. We obtained the Schedule of Revenues and Expenditures of Intercollegiate Athletic Programs (Schedule) for the year ended June 30, 2001, as prepared by the College and shown in this report. We recalculated the addition of the amounts on the Schedule, traced the amounts on the Schedule to management's worksheets and agreed the amounts on management's worksheets to the Intercollegiate Athletics Department's accounts in the accounting records. We noted no differences between the amounts in the Athletics Department's accounts in the accounting records and the

amounts on the worksheets. We discussed the nature of worksheet adjustments with management and are satisfied that the adjustments are appropriate.

- b. We applied certain analytical review techniques to the balances reported on the Schedule in order to determine the reasonableness of amounts reported therein. These techniques included trend analyses and other tests using operating data and reviews of actual amounts expended in comparison to budgeted amounts.
- c. We vouched each individual contribution received directly by the College for its Intercollegiate Athletic Programs that constituted more than ten percent of the contributions so received. Except for contributions received from the Longwood Foundation, Inc., an affiliated organization, we noted no individual contribution which constituted more than ten percent of total contributions received for Intercollegiate Athletics.

Because the above procedures “a” through “c” do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the Schedule of Revenues and Expenditures of Intercollegiate Athletic Programs or any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. Had we performed additional procedures or had we made an audit of any financial statements of the intercollegiate athletics department of the College in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to the President of the College. This report relates only to the accounts and items specified above and does not extend to the financial statements of the College or its intercollegiate athletics department taken as a whole.

Internal Control Related to Intercollegiate Athletic Programs - Agreed-Upon Procedures

The management of the College is responsible for establishing and maintaining internal control for its Intercollegiate Athletic Programs. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any internal control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of internal control to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate. Our procedures and findings are as follows:

- d. We reviewed an organizational chart provided by the Intercollegiate Athletics Department and discussed it with appropriate personnel. We reviewed documentation of accounting systems and operating procedures. We also made certain inquiries of management regarding control consciousness, the use of internal audit in the department, competence of personnel, and protection of records and equipment.

- e. We reviewed internal control over cash receipts and disbursements, including payroll, for the Intercollegiate Athletic Programs. We reviewed the relationship of internal control over Intercollegiate Athletic Programs to internal control reviewed in connection with the audit of the College's financial statements. Our review also included those controls unique to Intercollegiate Athletics, which have not been reviewed in connection with the audit of the financial statements.
- f. We reviewed the College's procedures for monitoring booster group activities and concluded that those procedures were adequate.

Agreed-upon procedures "d" through "f" applied to certain aspects of the College's internal control were more limited than would be necessary to express an opinion on internal control of the College in effect for the year ended June 30, 2001, taken as a whole. Because our review and evaluation was limited to applying those agreed-upon procedures, we do not express such an opinion. In connection with applying procedures "d" through "f" above, we noted no material weaknesses relating to internal control over the Intercollegiate Athletic Program activities administered by the College.

This report is intended solely for the information and use of the College and authorized representatives of the National Collegiate Athletic Association and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

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LONGWOOD COLLEGE

SCHEDULE OF REVENUES AND EXPENDITURES OF INTERCOLLEGIATE ATHLETIC PROGRAMS

For the Year Ended June 30, 2001

	Men's Baseball	Men's Basketball	Men's Soccer	Women's Basketball
Revenues:				
Athletic fees	\$ 27,909	\$ 32,559	\$ 16,414	\$ 24,245
Miscellaneous athletic revenue	-	10,520	-	3,164
Foundation scholarships	-	-	-	-
Gifts and contributions	-	-	-	-
Total revenues	27,909	43,079	16,414	27,409
Expenditures:				
Personal services	-	-	-	-
Contractual services	15,102	26,078	13,060	16,250
Supplies and materials	12,109	5,832	3,028	7,512
Transfer payments	-	-	-	-
Continuous charges	142	-	-	-
Equipment	-	-	-	-
Scholarships	-	-	-	-
Total expenditures	27,353	31,910	16,088	23,762
Excess of revenues over expenditures before transfers	556	11,169	326	3,647
Mandatory transfers:				
Debt service	-	-	-	-
Nonmandatory transfers	-	-	-	-
Net increase for the year	\$ 556	\$ 11,169	\$ 326	\$ 3,647

Note 1: The accompanying Notes to the Schedule of Revenues and Expenditures of Intercollegiate Athletic Programs are an integral part of this schedule.

Women's Field Hockey	Women's Golf	Other Sports	Sports Information	Administrative and General	Total
\$ 15,766	\$ 14,553	\$ 89,684	\$ 54,542	\$ 2,136,474	\$ 2,412,146
-	-	5,136	-	12,538	31,358
-	-	-	-	2,144	2,144
-	-	-	-	35,369	35,369
15,766	14,553	94,820	54,542	2,186,525	2,481,017
-	-	5,244	45,599	1,138,052	1,188,895
12,348	10,405	62,123	2,771	129,519	287,656
3,104	3,858	19,405	3,845	72,944	131,637
-	-	379	-	12,250	12,629
-	-	517	-	71,635	72,294
-	-	229	-	9,734	9,963
-	-	-	-	480,399	480,399
15,452	14,263	87,897	52,215	1,914,533	2,183,473
314	290	6,923	2,327	271,992	297,544
-	-	-	-	(65,257)	(65,257)
-	-	-	-	(523)	(523)
\$ 314	\$ 290	\$ 6,923	\$ 2,327	\$ 206,212	\$ 231,764

LONGWOOD COLLEGE

NOTES TO THE SCHEDULE OF REVENUES AND EXPENDITURES OF

INTERCOLLEGIATE ATHLETIC PROGRAMS

AS OF JUNE 30, 2001

1. BASIS OF PRESENTATION

The accompanying Schedule of Revenues and Expenditures of Intercollegiate Athletic Programs has been prepared on the accrual basis of accounting. The purpose of the Schedule is to present a summary of current funds revenues and expenditures of the intercollegiate athletic programs of the College for the year ended June 30, 2001. The Schedule includes those intercollegiate athletics revenues and expenditures made in behalf of the College's athletics programs by outside organizations not under the accounting control of the College. Because the Schedule presents only a selected portion of the activities of the College, it is not intended to and does not present either the financial position, changes in fund balances, or current funds revenues and other additions, expenditures and other deductions for the year then ended. Revenues and expenditures directly identifiable with each category of sport presented are reported accordingly. Revenues and expenditures not directly identifiable to a specific sport are reported under the category "Administrative and General."

2. AFFILIATED ORGANIZATION

The College received \$35,369 for supplies and materials and \$2,144 for athletic scholarships from the Longwood College Foundation, Inc. These contributions are included in the accompanying schedule.

3. LONG-TERM INDEBTEDNESS

Mandatory transfers from the intercollegiate athletic programs for principal and interest payments totaled \$65,257 for the year ended June 30, 2001.

LONGWOOD COLLEGE
Farmville, Virginia

As of June 30, 2001

BOARD OF VISITORS

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